

HOUSE BILL REPORT

HB 2041

As Reported by House Committee On:
Education Appropriations

Title: An act relating to student transportation funding.

Brief Description: Concerning student transportation funding.

Sponsors: Representatives Finn, Cox, Haigh, Priest, Hunt, Sullivan, Van De Wege, Ormsby and Goodman; by request of Superintendent of Public Instruction.

Brief History:

Committee Activity:

Education Appropriations: 2/18/09, 2/26/09 [DP].

Brief Summary of Bill

- Implements a new K-12 student transportation funding formula in the 2011-12 school year.
- Eliminates the radius mile, changes ridership count to three times per year, and adds an allowable to-from trip for extended day academic programs, effective within the 2011-12 school year.
- Requires an annual report on efficiency reviews of district operations.

HOUSE COMMITTEE ON EDUCATION APPROPRIATIONS

Majority Report: Do pass. Signed by 9 members: Representatives Haigh, Chair; Sullivan, Vice Chair; Carlyle, Hunter, Kagi, Probst, Quall, Rolfes and Wallace.

Minority Report: Do not pass. Signed by 5 members: Representatives Priest, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Anderson, Cox and Haler.

Staff: Wendy Polzin (786-7137)

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Washington provides funding to school districts for pupil transportation using a funding method that was developed in the early 1980s. This method has not been significantly changed since its development.

The Legislature's funding method is designed to fund the transportation of eligible students to and from school at 100 percent or as close thereto as reasonably possible. Certain types of transportation are not funded under the formula, such as transportation for athletic events, or other extracurricular programs not considered part of the basic education program.

The 2005-07 Operating Budget mandated that the Joint Legislative Audit & Review Committee (JLARC) review pupil transportation funding in Washington. The JLARC study found that there was a 95 percent probability that "to and from" pupil transportation expenditures exceeded state revenues by between \$92,619,322 and \$114,376,345 in the 2004-05 school year.

In the 2007-09 biennium, the Legislature directed the Office of Financial Management to contract for a study on two alternative student transportation funding formula options. The final report containing the options, "Development of Student Transportation Funding Methodology Options for Washington State," was presented to the Legislature in December 2008.

Summary of Bill:

This bill takes effect in two parts. Beginning in the 2011-12 school year, a new student transportation funding model is implemented. The model will use regression analysis to distribute state transportation funds to districts. In addition, the radius mile is removed, ridership counts are increased to three times per year, and extended academic day transportation is included within allowable to-from trips.

Beginning with the 2013-14 school year, efficiency reporting on districts will begin. Individual reviews will be conducted on districts with 90 percent or less efficiency. A report summarizing the efficiency reviews and resulting changes made by districts shall be submitted to the fiscal and education committees of the Legislature by December 1 of each year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed, except sections 2 through 7, relating to implement changes associated with the new transportation funding formula, which take effect September 1, 2011, and section 8, relating to establishing the efficiency reviews of districts by regional transportation coordinators, which takes effect September 1, 2013.

Staff Summary of Public Testimony:

(In support) This is agency request legislation. This bill is a result of the consultant study to provide two funding models for Washington. The Office of Superintendent of Public Instruction selected the expected cost model because more districts were fully funded under this option than under the unit cost model. The expected cost model also takes into account the specific site characteristics within a bill. The bill is written with the implementation taking place in 2011 so that software updates and other preparations can take place. This is a good option because it uses a district's actual transportation expenditures and takes site characteristics into account.

(Opposed) None.

Persons Testifying: Representative Finn, prime sponsor; Allan Jones, Office of Superintendent of Public Instruction; Ron Lee, North Kitsap School District; Fred Stanley, Washington Association for Pupil Transportation; Marcia Fromhold, Evergreen School District; and Doug Nelson, Public School Employees of Washington.

Persons Signed In To Testify But Not Testifying: None.